

THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA



2017-2018 TENTATIVE BUDGET INTERNAL SERVICE FUND (SELF-INSURANCE FUND) TRUST AND AGENCY FUNDS

July 20, 2017

SARASOTA COUNTY SCHOOL BOARD

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OVERVIEW OF SELF-INSURANCE FUND

WHAT IS THE 2017-2018 SELF-INSURANCE FUND BUDGET?

The self-insurance fund budget is established to provide an allowance to pay for anticipated employee benefit claims and losses resulting from work related injuries and third party tort liability claims.

The District made the decision to budget for these contingencies and keep the funds under the control of the District, rather than to prepay its losses by purchasing commercial insurance policies. The District's assumption of the risk of losses on these claims is balanced by the ability of the District to increase investment income and exercise greater management control over the disbursements of funds.

The Self-Insurance Fund budget is summarized as follows:

<u>SOURCES</u>	
Beginning Net Position	\$ 32,396,193
Revenue for Services Provided to Other Funds	\$ 57,367,567
Revenue from the Investment of Funds	\$ 204,051
Transfers In	<u>\$ 577,910</u>
	<u>\$ 90,545,721</u>
<u>USES</u>	
Salaries	\$ 348,594
Fringe Benefits	\$ 113,951
Workers' Compensation Expenses	\$ 3,698,510
General Liability Expenses	\$ 533,500
Benefit Administration Expenses	\$ 42,927
Dental Plan Expenses	\$ 2,817,500
Automobile Liability Expenses	\$ 190,495
Group Health Insurance Expenses	\$ 48,320,294
Ending Net Position	<u>\$ 34,479,950</u>
TOTAL Budget	<u>\$ 90,545,721</u>

THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

2017 - 2018 BUDGET

**INTERNAL SERVICE FUND (SELF-INSURANCE FUND)
TRUST AND AGENCY FUNDS**

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THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

**2017 - 2018 BUDGET
INTERNAL SERVICE FUND (SELF-INSURANCE FUND)
TRUST AND AGENCY FUNDS**

PREFACE

Internal Service Fund

The District's only Internal Service Fund, the Self-Insurance Fund, was established by the School Board of Sarasota County on July 1, 1985 for the purpose of funding its workers' compensation liabilities. On January 16, 1987 the School Board of Sarasota County elected to self-fund its general liability exposure as well. The board established its Risk Management office on July 1, 1987 to administer the Self-Insurance Fund, its purchased insurance programs for both District claims and employee benefits, and coordination of retirement services. On July 1, 1995 the Self-Insurance Fund was expanded to include the automobile/transportation liability program and the dental plan. On January 1, 2016 the Self-Insurance was expanded to include the group health insurance plan.

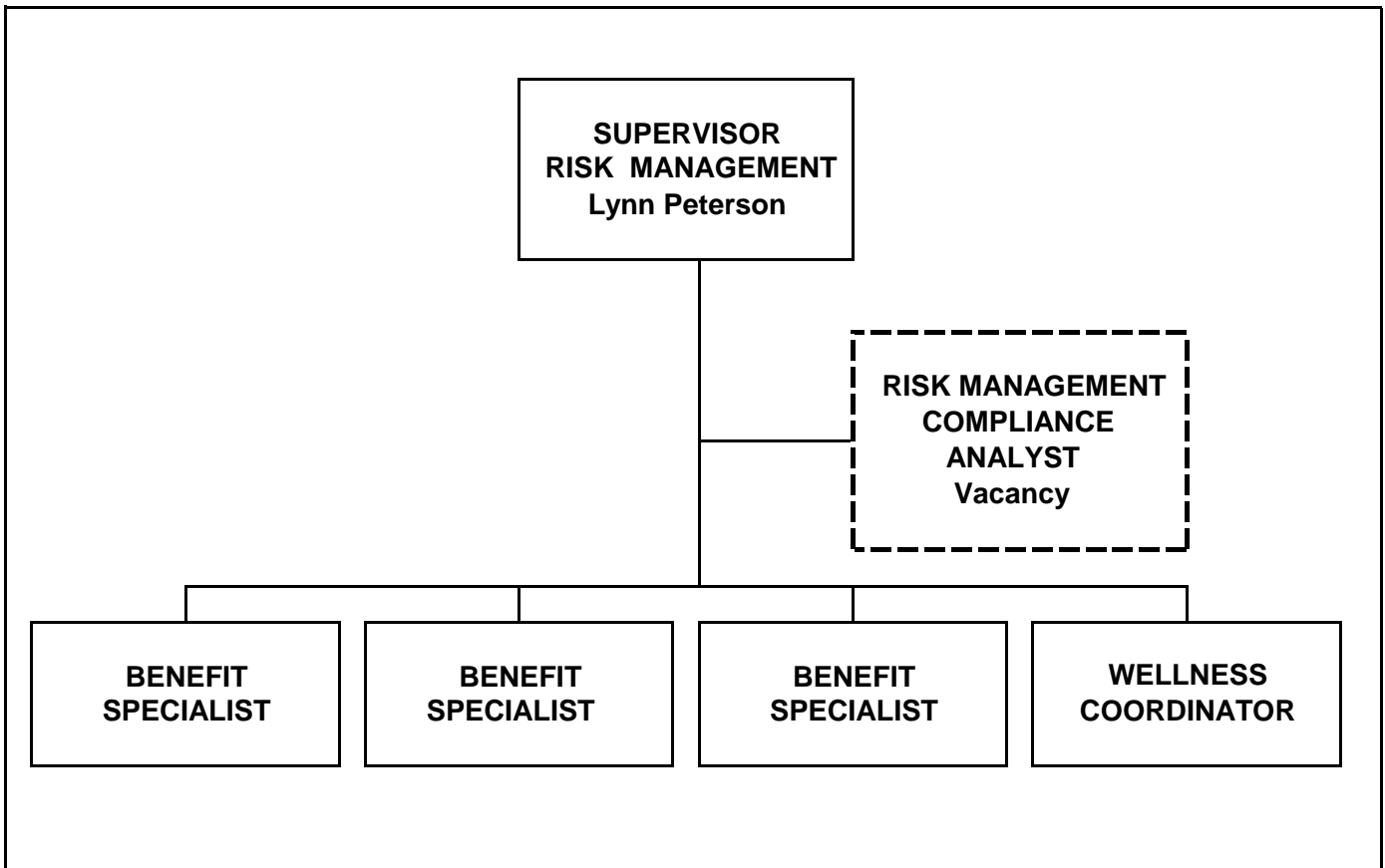
Trust and Agency Funds

The District's Trust and Agency Funds are composed of Student Activity Funds at each school. The district does not require the Student Activity Funds to establish budgets. The Student Activity Funds Budget is an estimate based upon prior revenues and expenditures and is for informational purposes only.

THE SCHOOL BOARD OF SARASOTA COUNTY, FL

2017 - 2018 BUDGET

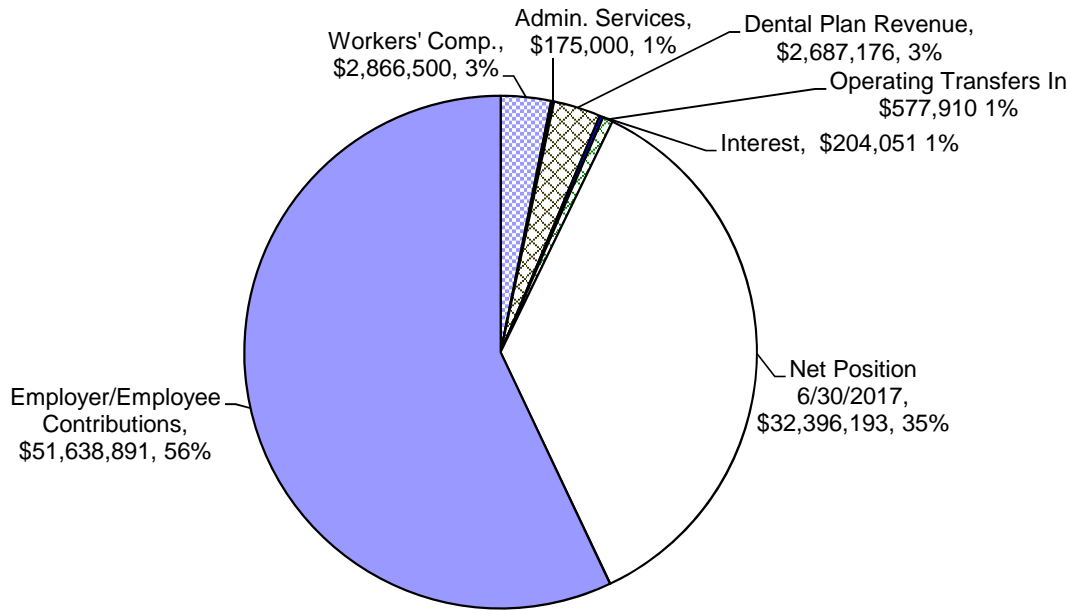
RISK MANAGEMENT OFFICE ORGANIZATION CHART



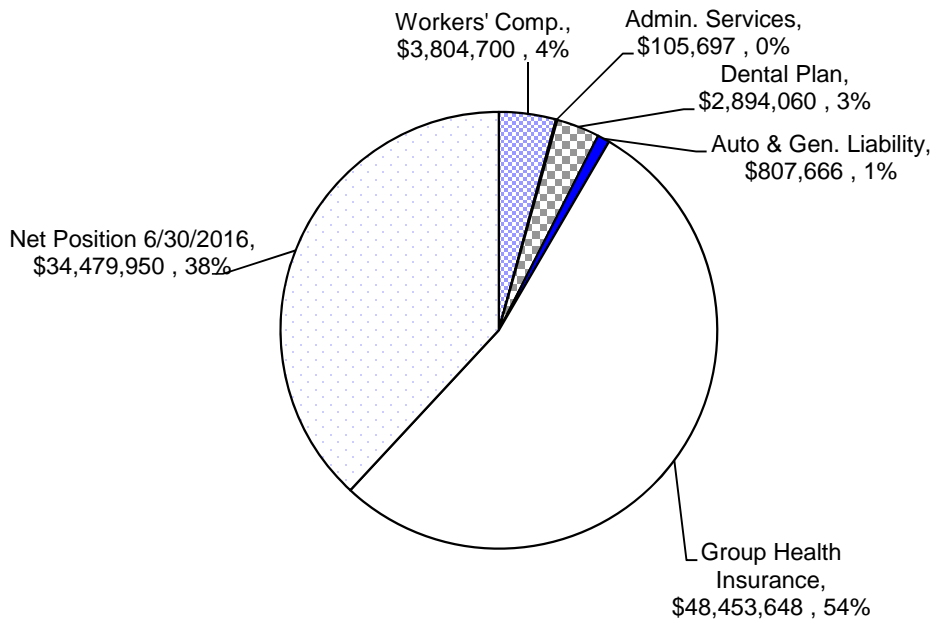
THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

Self Insurance Fund Budget 2017-2018

Total Available Resources \$90,545,721



Total Appropriations \$90,545,721



THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

Self Insurance Tentative 2017-2018

Consolidated Statement for all Self Insurance Funds

Comparative Statement of Estimated Revenues, Appropriations, and

Changes in Retained Earnings / Fund Balance For Fiscal Years 2015-2016 through 2017-2018

	2015-2016 Actual	2016-2017 Budget	2016-2017 Projected	2017-2018 Budget	2017-2018 Change
<u>Revenues for Services Provided to Other Funds</u>					
Workers' Compensation Services	\$ 2,320,621	\$ 2,730,000	\$ 2,613,998	\$ 2,866,500	\$ 252,502
Workers' Comp. Prior Yr. Refund	-	-	-	-	-
Gen'l Liab. Other Operating Revenue	-	-	-	-	-
Benefit Administration Services	179,969	175,000	203,814	175,000	(28,814)
Benefit Admin. Miscellaneous Income	-	-	-	-	-
Dental Plan Services	2,347,541	2,669,445	2,687,176	2,687,176	-
Auto Liab. Other Operating Revenue	-	-	-	-	-
Group Health Employer Contributions	19,398,611	40,682,863	39,376,187	42,717,006	3,340,819
Group Health Employee Contributions	4,295,210	9,019,941	8,497,034	8,921,885	424,851
Interest on Investments	233,991	141,444	412,573	204,051	(208,522)
Net Inc. (Dec.) - Fair Value Invest.	65,973	-	(97,389)	-	97,389
Total Revenues	28,841,916	55,418,693	53,693,393	57,571,618	3,878,225
<u>Appropriations By Object</u>					
Salaries	207,728	223,521	194,952	348,594	153,642
Employee Benefits	83,964	79,160	89,029	113,951	24,922
Total Salaries & Benefits	291,692	302,681	283,981	462,545	178,564
Workers' Compensation Expenses					
F.D.L. Self Insurance Fee	67,533	70,910	76,651	76,651	-
Third Party Administrator Fee	212,000	325,000	325,000	325,000	-
Excess W. C. Insurance	165,526	162,984	165,747	168,000	2,253
Actuary's Fee	9,250	9,713	9,250	9,250	-
Travel	1,195	1,050	292	292	-
Repairs and Maintenance	-	840	-	-	-
Rentals	-	1,588	-	-	-
Other Purchased Services	9,001	-	2,328	9,000	6,672
Materials and Supplies	684	1,005	437	437	-
Negotiated Line of Duty Pay	98,860	101,635	73,044	73,044	-
Claims Paid To Date	2,694,651	2,184,503	3,036,836	3,036,836	-
Other Expenses	1,032	1,051	-	-	-
Total Workers' Compensation Expenses	3,259,732	2,860,279	3,689,585	3,698,510	8,928
General Liability Expenses					
Claims Administration	17,380	27,405	19,451	17,500	(1,951)
Student Athletic Catastrophic Ins.	11,305	11,305	10,849	11,000	151
Claims Paid To Date	564,239	426,500	350,000	400,000	50,000
Claims Incurred But Not Yet Paid	-	462,279	-	105,000	105,000
Total General Liability Expense	592,924	927,489	380,300	533,500	153,200

THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

Self Insurance Tentative 2017-2018

Consolidated Statement for all Self Insurance Funds

Comparative Statement of Estimated Revenues, Appropriations, and
Changes in Retained Earnings / Fund Balance For Fiscal Years 2015-2016 through 2017-2018

	2015-2016 Actual	2016-2017 Budget	2016-2017 Projected	2017-2018 Budget	2017-2018 Change
Dental Fund Expenses					
Claims Administration	207,803	210,000	213,017	217,500	4,483
Claims Paid To Date	2,336,079	2,423,111	2,424,487	2,600,000	175,513
Total Dental Fund Expenses	<u>2,543,882</u>	<u>2,633,111</u>	<u>2,637,504</u>	<u>2,817,500</u>	<u>179,996</u>
Benefit Administration Expenses					
Administrative Fee (FSA)	12,156	23,940	10,767	12,156	1,389
Consultant's Fee	26,471	28,210	25,741	26,471	729
Materials and Supplies	-	-	3,761	4,000	239
Other Expenses	11	-	300	300	-
Total Benefit Administration Expenses	<u>38,638</u>	<u>52,150</u>	<u>40,569</u>	<u>42,927</u>	<u>2,357</u>
Automobile Liability Expenses					
Claims Administration	1,905	6,000	9,102	10,000	898
Claims Paid To Date	36,103	89,588	180,495	180,495	-
Claims Incurred but not yet paid	-	255,150	-	-	-
Capitalized Hardware	-	-	-	-	-
Total Automobile Liability Expenses	<u>38,008</u>	<u>350,738</u>	<u>189,597</u>	<u>190,495</u>	<u>898</u>
Group Health Insurance Expenses					
Claims Paid with individual stop loss	20,590,851	45,673,740	33,735,817	45,000,000	11,264,183
Claims Incurred but not yet paid	-	-	-	-	-
Administration Services	1,109,665	2,317,266	2,018,222	2,336,794	318,572
Fees Affordable Health Care Act	-	222,075	161,217	175,000	13,783
Transitional Reinsurance Fee	-	-	-	-	-
Individual stop loss insurance	294,139	1,564,160	604,868	808,500	203,632
Total Group Health Insurance Expenses	<u>21,994,655</u>	<u>49,777,241</u>	<u>36,520,124</u>	<u>48,320,294</u>	<u>11,800,170</u>
Total Appropriations By Object	<u>28,759,531</u>	<u>56,903,689</u>	<u>43,741,660</u>	<u>56,065,771</u>	<u>12,324,113</u>
Transfers					
Operating Transfers In	7,390,877	577,910	577,910	577,910	-
Total Operating Transfers In (Out)	<u>7,390,877</u>	<u>577,910</u>	<u>577,910</u>	<u>577,910</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Appropriations	7,473,262	(907,086)	10,529,643	2,083,757	(8,445,886)
Net Position, Beginning Balance	<u>14,393,288</u>	<u>21,866,550</u>	<u>21,866,550</u>	<u>32,396,193</u>	<u>10,529,643</u>
Net Position, Ending Balance	<u>\$ 21,866,550</u>	<u>\$ 20,959,464</u>	<u>\$ 32,396,193</u>	<u>\$ 34,479,950</u>	<u>\$ 2,083,757</u>

THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

Self Insurance Tentative 2017-2018

Workers' Compensation Fund

Comparative Statement of Estimated Revenues, Appropriations, and
Changes in Retained Earnings / Fund Balance For Fiscal Years 2015-2016 through 2017-2018

	2015-2016 Actual	2016-2017 Budget	2016-2017 Projected	2017-2018 Budget	2017-2018 Change
<u>Revenues for Services Provided to Other Funds</u>					
Workers' Compensation Services	\$ 2,320,621	\$ 2,730,000	2,613,998	\$ 2,866,500	\$ 252,502
Prior Yr W/C Expense Recovery	-	-	-	-	-
Interest on Investments	118,060	25,000	139,770	25,000	(114,770)
Net Inc. (Dec.) - Fair Value Invest.	43,931		(64,875)	-	64,875
Total Revenues	2,482,612	2,755,000	2,688,893	2,891,500	202,607
<u>Appropriations By Object</u>					
Salaries	51,416	72,000	42,403	79,246	36,843
Employee Benefits	33,954	26,000	27,455	26,944	(511)
Total Salaries & Benefits	85,370	98,000	69,858	106,190	36,332
Workers' Compensation Expenses					
F.D.L. Self Insurance Fee	67,533	70,910	76,651	76,651	-
Third Party Administrator Fee	212,000	325,000	325,000	325,000	-
Excess Coverage Premium	165,526	162,984	165,747	168,000	2,253
Actuary Fee	9,250	9,713	9,250	9,250	-
Travel	1,195	1,050	292	292	-
Repairs and Maintenance	-	840	-	-	-
Rentals	-	1,588	-	-	-
Other Purchased Services	9,001		2,328	9,000	6,672
Materials and Supplies	684	1,005	437	437	-
Negotiated Line of Duty Pay	98,860	101,635	73,044	73,044	-
Claims Paid To Date	2,694,651	2,184,503	3,036,836	3,036,836	-
Other Expenses	1,032	1,051	-	-	-
Total Workers' Compensation Expenses	3,259,732	2,860,279	3,689,585	3,698,510	8,928
Total Appropriations By Object	3,345,102	2,958,279	3,759,443	3,804,700	45,260
Excess (Deficiency) of Revenues Over (Under) Appropriations	(862,490)	(203,279)	(1,070,550)	(913,200)	157,350
Net Position, Beginning Balance	5,951,945	5,089,455	5,089,455	4,018,905	(1,070,550)
Net Position, Ending Balance	\$ 5,089,455	\$ 4,886,176	\$ 4,018,905	\$ 3,105,705	\$ (913,200)

THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

Self Insurance Tentative 2017-2018

General Liability Fund

Comparative Statement of Estimated Revenues, Appropriations, and
Changes in Retained Earnings / Fund Balance For Fiscal Years 2015-2016 through 2017-2018

	2015-2016 Actual	2016-2017 Budget	2016-2017 Projected	2017-2018 Budget	2017-2018 Change
<u>Revenues for Services Provided to Other Funds</u>					
Interest on Investments	\$ 31,170	\$ 11,000	51,929	\$ 11,000	\$ (40,929)
Net Inc. (Dec.) - Fair Value Invest.	11,021		(16,257)	-	16,257
Total Revenues	42,191	11,000	35,672	11,000	(24,672)
<u>Appropriations By Object</u>					
Salaries	19,737	20,330	10,852	26,230	15,378
Employee Benefits	6,856	7,061	7,022	8,909	1,887
Total Salaries & Benefits	26,593	27,391	17,874	35,139	17,265
General Liability Expenses					
Claims Administration	17,380	27,405	19,451	17,500	(1,951)
Student Athletic Catastrophic Ins./FPL	11,305	11,305	10,849	11,000	151
Claims Paid To Date	564,239	426,500	350,000	400,000	50,000
Claims Incurred but not yet paid	-	462,279	-	105,000	105,000
Total General Liability Expense	592,924	927,489	380,300	533,500	153,200
Total Appropriations By Object	619,517	954,880	398,174	568,639	170,466
Transfers					
Operating Transfers In	279,504	298,406	279,504	298,406	18,902
Excess (Deficiency) of Revenues Over (Under) Appropriations	(297,822)	(645,474)	(82,998)	(259,233)	(176,235)
Net Position, Beginning Balance	3,559,701	3,261,879	3,261,879	3,178,881	(82,998)
Net Position, Ending Balance	\$ 3,261,879	\$ 2,616,405	\$ 3,178,881	\$ 2,919,648	\$ (259,233)

THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

Self Insurance Tentative 2017-2018

Dental Insurance Fund

Comparative Statement of Estimated Revenues, Appropriations, and
Changes in Retained Earnings / Fund Balance For Fiscal Years 2015-2016 through 2017-2018

	2015-2016 Actual	2016-2017 Budget	2016-2017 Projected	2017-2018 Budget	2017-2018 Change
<u>Revenues for Services Provided to Other Funds</u>					
Dental Plan Services	\$ 2,347,541	\$ 2,669,445	\$ 2,687,176	\$ 2,687,176	\$ -
Interest on Investments	5,983	3,000	12,911	3,000	(9,911)
Net Inc. (Dec.) - Fair Value Invest.	-	-	-	-	-
Total Revenues	2,353,524	2,672,445	2,700,087	2,690,176	(9,911)
<u>Appropriations By Object</u>					
Salaries	29,349	25,145	38,892	57,134	18,242
Employee Benefits	8,197	9,157	15,029	19,426	4,397
Total Salaries & Benefits	37,546	34,302	53,921	76,560	22,639
Dental Fund Expenses					
Claims Administration	207,803	210,000	213,017	217,500	4,483
Dental Claims	2,336,079	2,423,111	2,424,487	2,600,000	175,513
Total Dental Fund Expenses	2,543,882	2,633,111	2,637,504	2,817,500	179,996
Total Appropriations By Object	2,581,428	2,667,413	2,691,425	2,894,060	179,996
Excess (Deficiency) of Revenues Over (Under) Appropriations	(227,904)	5,032	8,662	(203,884)	(212,546)
Net Position, Beginning Balance	1,710,818	1,482,914	1,482,914	1,491,576	8,662
Net Position, Ending Balance	\$ 1,482,914	\$ 1,487,946	\$ 1,491,576	\$ 1,287,692	\$ (203,884)

THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

Self Insurance Tentative 2017-2018

Benefit Self Administration

Comparative Statement of Estimated Revenues, Appropriations, and
Changes in Retained Earnings / Fund Balance For Fiscal Years 2015-2016 through 2017-2018

	2015-2016 Actual	2016-2017 Budget	2016-2017 Projected	2017-2018 Budget	2017-2018 Change
<u>Revenues for Services Provided to Other Funds</u>					
Benefit Administration Services	\$ 179,969	\$ 175,000	\$ 203,814	\$ 175,000	\$ (28,814)
Interest on Investments	2,849	1,450	6,892	1,450	(5,442)
Net Inc. (Dec.) - Fair Value Invest.	-	-	-	-	-
Miscellaneous Income	-	-	-	-	-
Total Revenues	182,818	176,450	210,706	176,450	(34,256)
<u>Appropriations By Object</u>					
Salaries	47,678	49,108	35,776	46,843	11,067
Employee Benefits	16,697	17,198	11,817	15,927	4,110
Total Salaries & Benefits	64,375	66,306	47,593	62,770	15,177
Benefit Administration Expenses					
Administrative Fee	12,156	23,940	10,767	12,156	1,389
Consultant's Fee	26,471	28,210	25,741	26,471	729
Rentals	-	-	-	-	-
Other Purchased Services	-	-	-	-	-
Material's and Supplies	-	-	3,761	4,000	239
Other Expenses	11	-	300	300	-
Total Benefit Administration Expenses	38,638	52,150	40,569	42,927	2,357
Total Appropriations By Object	103,013	118,456	88,162	105,697	17,534
Excess (Deficiency) of Revenues Over (Under) Appropriations	79,805	57,994	122,544	70,753	(51,791)
Net Position, Beginning Balance	608,921	688,726	688,726	811,270	122,544
Net Position, Ending Balance	\$ 688,726	\$ 746,720	\$ 811,270	\$ 882,023	\$ 70,753

THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

Self Insurance Tentative 2017-2018

Automobile Liability Fund

Comparative Statement of Estimated Revenues, Appropriations, and
Changes in Retained Earnings / Fund Balance For Fiscal Years 2015-2016 through 2017-2018

	<u>2015-2016 Actual</u>	<u>2016-2017 Budget</u>	<u>2016-2017 Projected</u>	<u>2017-2018 Budget</u>	<u>2017-2018 Change</u>
<u>Revenues for Services Provided to Other Funds</u>					
Interest on Investments	\$ 31,170	\$ 7,000	\$ 51,927	\$ 7,000	\$ (44,927)
Net Inc. (Dec.) - Fair Value Invest.	11,021	-	(16,257)	-	16,257
Total Revenues	<u>42,191</u>	<u>7,000</u>	<u>35,670</u>	<u>7,000</u>	<u>(28,670)</u>
<u>Appropriations By Object</u>					
Salaries	19,738	20,330	10,854	39,623	28,769
Employee Benefits	6,855	7,061	7,020	8,909	1,889
Total Salaries & Benefits	<u>26,593</u>	<u>27,391</u>	<u>17,874</u>	<u>48,532</u>	<u>30,658</u>
Automobile Liability Expenses					
Claims Administration	1,905	6,000	9,102	10,000	898
Claims Paid To Date	36,103	89,588	180,495	180,495	-
Claims Incurred but not yet paid	-	255,150	-	-	-
Total Automobile Liability Expenses	<u>38,008</u>	<u>350,738</u>	<u>189,597</u>	<u>190,495</u>	<u>898</u>
Total Appropriations By Object	<u>64,601</u>	<u>378,129</u>	<u>207,471</u>	<u>239,027</u>	<u>31,556</u>
Transfers					
Operating Transfers In	298,406	279,504	298,406	279,504	(18,902)
Excess (Deficiency) of Revenues Over (Under) Appropriations	275,996	(91,625)	126,605	47,477	(79,128)
Net Position, Beginning Balance	<u>2,561,903</u>	<u>2,837,899</u>	<u>2,837,899</u>	<u>2,964,504</u>	<u>126,605</u>
Net Position, Ending Balance	<u>\$ 2,837,899</u>	<u>\$ 2,746,274</u>	<u>\$ 2,964,504</u>	<u>\$ 3,011,981</u>	<u>\$ 47,477</u>

THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

Self Insurance Tentative 2017-2018

Group Insurance Fund

Comparative Statement of Estimated Revenues, Appropriations, and
Changes in Retained Earnings / Fund Balance For Fiscal Years 2015-2016 through 2017-2018

	2015-2016 Actual	2016-2017 Budget	2016-2017 Projected	2017-2018 Budget	2017-2018 Change
<u>Revenues for Services Provided to Other Funds</u>					
Employer Contributions	\$ 19,398,611	\$ 40,682,863	\$ 39,376,187	\$ 42,717,006	\$ 3,340,819
Employee Contributions	4,295,210	9,019,941	8,497,034	8,921,885	424,851
Interest on Investments	44,759	93,994	149,144	156,601	7,457
Net Inc. (Dec.) - Fair Value Invest.	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-
Total Revenues	23,738,580	49,796,798	48,022,365	51,795,492	3,773,127
<u>Appropriations By Object</u>					
Salaries	39,810	36,608	56,175	99,518	43,342
Employee Benefits	11,405	12,683	20,686	33,836	13,149
Total Salaries & Benefits	51,215	49,291	76,861	133,354	56,492
Group Health Insurance Expenses					
Medical Claims Paid to Date	20,590,851	45,673,740	33,735,817	45,000,000	11,264,183
Claims Incurred but not yet paid	-	-	-	-	-
Administration Services	1,109,665	2,317,266	2,018,222	2,336,794	318,572
Other Expenses	-	222,075	161,217	175,000	13,783
Stop Loss Insurance Premiums	294,139	1,564,160	604,868	808,500	203,632
Total Group Health Insurance Expenses	21,994,655	49,777,241	36,520,124	48,320,294	11,800,170
Total Appropriations By Object	22,045,870	49,826,532	36,596,985	48,453,648	11,800,170
Transfers					
Operating Transfers In	6,812,967	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Appropriations	8,505,677	(29,734)	11,425,380	3,341,844	(8,083,536)
Net Position, Beginning Balance	-	8,505,677	8,505,677	19,931,057	11,425,380
Net Position, Ending Balance	\$ 8,505,677	\$ 8,475,943	\$ 19,931,057	\$ 23,272,901	\$ 3,341,844

THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

2017 - 2018 BUDGET

STUDENT ACTIVITY FUNDS BUDGET

Beginning Fund Balance	\$ 7,299,604
Add: Revenues	14,610,048
Less: Appropriations	<u>14,247,728</u>
Ending Fund Balance	\$ <u><u>7,661,924</u></u>